

### **Abstract**

A method for isolating cells which have a suprabasal position and expresses epithelial specific antigen but no sialomucin is provided. The isolated cells are shown to share many of the properties expected of a mammary gland stem cell. Three permanent cell lines that are capable of proliferating and capable of differentiating into cells of mammary gland luminal epithelial and myoepithelial cell lineages were established. Such cells form elaborate branching structures resembling uncultured terminal duct lobular units both by morphology and marker expression both *in vitro* and *in vivo*. Evidence is provided that these keratin K19 expressing cells most probably is the cells in which breast cancer arises. Thus they constitute a model not only for the developing breast, but also for the development of breast cancer. Also disclosed are the uses of such isolated cells or the cell lines as a model system of the mammary gland for pharmacological studies and their uses in tissue repair or transplantation.